

Hazel McCallion Foundation for the Arts, Culture and Heritage

Code of Business Conduct and Ethical Behaviour for Directors

1. INTRODUCTION

The object of this Code of Business Conduct and Ethical Behaviour for Directors (Code) is to enhance public confidence and trust in the integrity, objectivity and impartiality of the Hazel McCallion Foundation for the Arts, Culture and Heritage (Foundation).

The directors of the Foundation occupy a position of trust in their relations with fellow directors, officers, members of The Mayor's Gala committee who are appointed by the Foundation board, as well as with the public.

The Code illustrates the standards of conduct and ethical behaviour directors expect to attain in the performance and exercise of their responsibilities as directors of the Foundation.

No Code can offer a complete guide to cover all possible situations that might be encountered. Directors are expected to observe both the spirit and letter of this Code and must exercise judgment in applying the principles embodied in this Code to any particular situation. Directors also recognize that a culture of integrity is defined principally by actions, not formal documents, and that the directors must show leadership in this area.

The directors wish to confirm their commitment to such standards and a culture of integrity by establishing this Code.

2. THE EXPECTED STANDARDS OF BUSINESS CONDUCT AND ETHICAL BEHAVIOUR\

- ***Comply with applicable laws***
Directors shall comply with the laws and regulations governing their conduct. Directors have a responsibility to be sufficiently familiar with any legislation or regulations that apply to their directorship. Ignorance of the law is not, in general, a defence should a law be contravened. Directors should seek legal advice where appropriate.

Directors must not engage in, or give the appearance of being engaged in, any illegal or improper conduct that is in violation of this Code or that indicates a casual attitude towards compliance with laws, regulations or this Code.
- ***Comply with the Corporation's policies***
Directors have a responsibility to be knowledgeable of the Foundation's policies and to comply with these policies.
- ***Exercise duties honestly and in good faith with a view to the best interests of the Foundation***
Directors acknowledge their common law duty, as fiduciaries, to subordinate their own personal interests to those of the Corporation.
- ***Maintain the highest standards and uphold corporate values***
Directors shall maintain the highest standards of ethical behaviour and business conduct in the performance and exercise of their responsibilities as directors of the Foundation or when otherwise representing the Foundation.

- **Confirmation of receipt**

To acknowledge their commitment to abide by the provisions of the Code, each director shall sign a confirmation of receipt and return it to the Foundation president.

3. CONFLICTS OF INTEREST CODE

Directors must avoid any conflict, or perception of conflict between his or her personal interests and the interests of the Corporation in transacting the Corporation's business. A conflict situation can arise when a director:

- a. has a personal interest that would be likely to interfere with or appear to interfere with the Foundation's interests or the director's loyalty to or judgment on behalf of the Foundation
- b. chooses or may appear to have chosen a personal interest over the interests of the Foundation
- c. takes actions or has interests that may make it difficult or appear to make it difficult to perform his or her work objectively and effectively.

Some examples of a conflict of interest might include:

- Having an interest in or relationship with a company with which the Foundation does or proposes to do business
- Having an interest in a transaction in which the Foundation is or may be interested
- Passing confidential information to others
- Investment activity using confidential information
- Using the director's position at the Foundation to obtain personal benefits
- Accepting gifts, payment, or services from those seeking to do business with the Foundation.

Directors have full knowledge of the Foundation's Conflict of Interest Policy and agree to comply with the provisions of such a policy.

4. CONFIDENTIALITY

Directors often have access to confidential or proprietary information about the Foundation, its business partners, or other third parties. Directors must protect the confidentiality of such information, except when disclosure is authorized or legally mandated.

Confidential information includes, among other things any non-public information concerning the Foundation, including its business, financial performance, results or prospects and any non-public information provided by a third party with the expectation that the information will be kept confidential and be used solely for the business purpose for which it was conveyed. All information regarding the business, affairs and activities of the Foundation should be considered confidential by directors unless and until it is properly made available to the public.

A director who receives confidential information is prohibited from disclosing such information to any other person unless it is necessary to do so in the conduct of Foundation business and then only if the director takes appropriate steps to protect the continuing confidentiality of such information.

In order to prevent the misuse of inadvertent disclosure of material information, the procedures set out below should be observed at all times:

- Confidential matters should not be discussed in places where the discussion may be overheard such as elevators, restaurants, airplanes or taxi cabs
- Confidential documents should not be read in public places, left in unattended conference rooms, left behind when a meeting is over or discarded where they can be retrieved by others. Similarly, directors should not leave confidential information at their homes where it can be accessed by others
- Care should be taken in communicating confidential matters on wireless communication devices
- Transmission of confidential information via electronic means such as by fax or e-mail, should be made only where it is reasonable to believe that the transmission can be made and received under secure conditions
- Access to highly confidential electronic data should be restricted through the use of passwords
- Unnecessary copying of confidential documents should be avoided and extra copies of confidential documents should be shredded or otherwise destroyed
- Documents and files containing confidential information should be kept in safe and controlled locations
- All proprietary information, including computer programs, analyses, models and other records are the property of the Foundation and may not be removed, disclosed, copied or otherwise used except with prior authorization.

5. PUBLIC COMMENT

Directors acknowledge that the Foundation's position with respect of its business, affairs, policies and operations must be presented accurately and consistently to the public. In order to achieve this result, the following guidelines shall apply to public statements and disclosures made by the directors relating to the Foundation:

- a. Subject to section 6 (c) of the Code, directors shall be free to comment publicly on behalf of the Foundation with respect to a matter previously considered by the board for which a decision has been made provided that:
 - i.) such comments are consistent with the board's decision(s)
 - ii.) where a director seeks to make comments that are not consistent with the board decision(s), the director clearly establishes that such comments are made on his/her own behalf and not as a representative of the Foundation.
- b. Where a matter has not previously been decided by the board, a director may comment publicly on such matter provided that the director clearly establishes that such comments are made on his/her own behalf and not as a representative of the Foundation.
- c. The board may, from time to time, designate by resolution one or more of its directors or employee(s) as spokesperson(s) for the Foundation relating to a matter or decision considered or made by the board. In such circumstances only the designated spokesperson(s) shall be authorized to issue related statements or make comments on behalf of the Foundation.
- d. In no event will a director comment on or make any disclosure relating to any matter pertaining to the Foundation where such comment or disclosure would potentially breach confidentiality or other obligations or standards set out in this Code or in the Foundation's Conflict of Interest policy.

6. FUNDAMENTAL RIGHTS

The Foundation is committed to providing all directors, officers, or employees with an environment that respects their basic human rights and that is free from discrimination and harassment. Each director is responsible for taking all reasonable precautions to not demonstrate behaviour that can be

reasonably construed as discrimination or harassment. Directors are encouraged to report all incidents of discrimination and harassment to the Code Advisor (the Secretary/Treasurer).

7. PERSONAL AND FAMILY RELATIONS

A director who has a personal or family relationship with another director, officer, or employee of the Foundation, or with a party doing or seeking to do business with the Foundation, that could affect the credibility of the Foundation or the actions of the director, should inform the Code Advisor of this matter.

A director who has a personal or family relationship with another director, officer, or employee of the Foundation must take steps to ensure that the relationship will not affect the credibility or reputation of the Foundation.

8. SEEKING CLARIFICATION

Directors should refer enquiries relating to the Code or its application to the Code Advisor. All disclosures to the Code Advisor shall be kept strictly confidential unless, in the opinion of the Code Advisor, the matter disclosed could adversely affect the Foundation, another director, officer or employee of the Foundation or the general public.

9. DISCLOSURE OF WRONGDOING FOR BREACHES OF CODE

Directors are required to report to the Code Advisor:

- The conduct of another director, officer or employee of the Foundation whom the director has reasonable grounds to believe has done something unethical or illegal
- Breaches of this Code, including violations of laws, rules, regulations or the Foundation's policies.

10. FAILURE TO COMPLY

A director's breach of the Code could result in significant, irreparable damage to the Foundation's reputation and commercial interests, jeopardizing the successful implementation of the Foundation's Letters Patent. In addition, breaches of the Code may expose the Foundation to liability, including claims from third parties. A director or officer may be personally liable for willful or bad faith breach of the Code.

Where a director's conduct constitutes a breach of the Code, the Foundation president or the Code Advisor may also recommend to the board that the director be removed from office.

11. WAIVERS FROM CODE

In extraordinary circumstances and where it is clearly in the Foundation's best interest to do so, the Code Advisor may waive compliance with a requirement under this Code for a director. Conditions may attach to such a waiver. The director granted the waiver, accepts that public disclosure of the granting of any such waiver may be required by applicable laws, regulations, policies or guidelines.

12. POST-DIRECTORSHIP

Directors must adhere to the Code, as applicable, after leaving office.

13. REVIEW OF CODE

The board shall review and reassess the adequacy of the Code periodically and make such amendments to the Code as it deems appropriate.

Approved by the Board of Directors on February 18 2011.